

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: December 5, 2023

NUMBER: **Worksession**

FR: Office of the Superintendent

SUBJECT: Administrative Service
Update

Administrative Services Department Update:

The Administrative Services team has been busy completing quarterly reporting for first quarter (July-October) for grants, Payroll, Capital Improvement projects, and other miscellaneous quarterly reports.

Our Purchasing Agent has been travelling to sites to assist secretaries with review and entry of student property information in to PowerSchool for our FY25 Impact Aid application, due January 31, 2024.

Sites have been visited by our contracted food service manager, who has been busy with reaching out to sites about their daily meal counts and troubleshooting issues as they come up. They have also travelled out to sites to do annual site reviews for the National School Lunch Program (NSLP). Local site reviews are required to make sure that Districts are following the NSLP's meal portion and serving requirements and are due mid-February.

The Food Service program had it's tri-annual program review November 14-16, and an analyst travelled to Kotzebue to review the breakfast & lunch service and conduct a virtual review of Deering's lunch service. The analyst(s) review many aspects of the food service program: Meal counting and claiming, portion sizes, items offered to students, nutrition value of food served, purchases out of the district's food service fund, etc.

I am preparing the Districts FY25 preliminary budget to be reviewed by the Budget committee at a later date, and to bring forward to the Board during the FY25 budget worksession.

FY24 Financial Narrative Report for the period July 1, 2023 – October 31, 2023

The monthly financial narrative report is included in your packet with highlights for the period ending October 31, 2023. The financial narrative report was discussed during the Budget Committee meeting.

Action Items:

FY24 Operating Budget Revision #2
Contracted Business Services – Food Service

MEMORANDUM

TO: NWABSD Board of Education Members

DATE: December 5, 2023

NUMBER: 24-058

FR: Office of the Superintendent

SUBJECT: Approval of FY24 District
Operating Budget
Revision #2

ABSTRACT:

The School Board shall establish and maintain a balanced budget.

ISSUE:

At issue is the approval of the FY24 District Operating Fund Budget Revision #2

BACKGROUND AND/OR PERTINENT INFORMATION:

The FY24 District Operating Fund Budget was approved and adopted at the April 25th, 2023 Regular School Board meeting with expenditures in the amount of \$60,362,320. Revision #1 was approved at the June 6, 2023 meeting with expenditures in the amount of \$63,531,405.

Presented to you is Budget Revision #2 for the FY24 Operating Fund Budget.

Revision #2 is based on a review of revenues and expenditures. In summary Revision #2 includes:

Revenues: \$61,527,655

Expenditures: \$63,307,834

Transfer in from Other Funds: \$0

Transfers out to Other Funds: \$1,825,000

This revision includes an increase to budgeted revenue of \$1,434,370 and a decrease in expenditures of \$223,571. The decrease to personnel expenditures of approximately \$1.6 million is due to vacancies for budgeted positions, and this revision moves unencumbered funds from the vacancies from certified salaries and benefits to non-certified salaries and benefits to cover the cost of our classified staff teaching in the classroom.

The non-personnel increase of approximately \$1.4 million increases professional & technical services for recruiting, maintenance services, and student activities, it also increases the budget for heating fuel expenses, copier maintenance expenses, property & liability insurance, and supplies.

The budgeted transfers for the Alaska Technical Center (ATC) and Star program were added to the FY24 general operating budget. The added \$75k transfer to the Star program is projected based on the prior year transfer, and the added \$1,150,000 transfer to the ATC is to cover the projected costs for the ATC program for FY24. The ATC has, in previous years, been budgeted at a transfer from between \$200-\$600k, however this program has taken on weekly ReadStar sessions and their instructors, that were previously budgeted in grants, as well as including high school students in their adult education courses.

Overall, I am projecting a decrease in fund balance of approximately \$3.6 million. \$3.5 million is the estimate for fund balance going into FY25. Final Fund Balance will be known after the FY24 audit is complete.

ALTERNATIVES:

1. Approve Revision #2 of the FY24 District Operating Fund Budget as presented;
2. Disapprove Revision #2 of the FY24 District Operating Fund Budget as presented;
3. Take no action.

ADMINISTRATION'S RECOMMENDATION:

The administration recommends the Board approve Revision #2 of the FY24 District Operating Fund Budget as presented.

**Northwest Arctic Borough School District
FY24 Budget**

	FY24	FY24	Changes	NOTES
	<u>Current Budget</u>	<u>Revised Budget</u>		
REVENUE				
Other Local Revenue	\$500,000	\$600,000	\$100,000	Based on revenue trend
Earnings on Investments	\$300,000	\$600,000	\$300,000	Based on earnings trend
Donations/Contributions	\$0	\$125,000	\$125,000	Donation from AKIMA for Stud Act
Borough Appropriation	\$6,645,111	\$6,645,111	\$0	
E-rate Program	\$7,205,220	\$7,205,220	\$0	
State Foundation	\$37,434,458	\$37,434,458	\$0	
Quality Schools	\$109,952	\$109,952	\$0	
TRS On-behalf	\$2,417,663	\$1,955,492	(\$462,171)	Based on changes to salaries
PERS On-behalf	\$278,505	\$326,903	\$48,398	Based on changes to salaries
Revenue - Other State Sources	\$15,000	\$15,000	\$0	
Impact Aid Program	\$5,187,376	\$6,510,519	\$1,323,143	Receipts through 11/9/23
TOTAL REVENUES	\$60,093,285	\$61,527,655	\$1,434,370	
TRANSFERS IN				
District Technology Fund	\$0	\$0	\$0	
Locally Funded Maintenance CIP Fund	\$0	\$0	\$0	
NW Magnet School Expansion	\$0	\$0	\$0	
Magnet School Dormitory	\$0	\$0	\$0	
CIP Reserved Local Share	\$0	\$0	\$0	
TOTAL TRANSFERS IN	\$0	\$0		
EXPENSES				
Certificated Salaries	\$16,112,137	\$14,853,111	(\$1,259,026)	Position vacancies Aides Teaching & Temp employees to cover
Non-Certificated Salaries	\$8,913,220	\$9,425,229	\$512,009	classrooms
Leave Pay Out	\$195,000	\$196,654	\$1,654	Multiple sites
Board Stipends	\$79,000	\$87,750	\$8,750	See attached Board budget revision
Employee Benefits	\$10,867,236	\$10,388,505	(\$478,731)	Position vacancies
TRS On-behalf	\$2,417,663	\$1,955,492	(\$462,171)	Based on changes to positions/salaries
PERS On-behalf	\$278,505	\$326,903	\$48,398	Based on changes to positions/salaries
SUBTOTAL: Personnel	\$38,862,762	\$37,233,645	(\$1,629,117)	
Professional & Technical Services	\$3,369,006	\$3,910,267	\$541,261	Recruiting, Maintenance Services, Stud Act Meals
Staff Travel	\$482,400	\$452,250	(\$30,150)	Multiple department accounts
Board Travel	\$89,379	\$108,852	\$19,473	See attached Board budget revision
Student Travel	\$1,141,275	\$1,144,775	\$3,500	Student Activities
Utility Services	\$8,387,769	\$8,387,769	\$0	
Energy-includes electricity & fuel	\$4,528,070	\$4,928,070	\$400,000	Estimated Heating Fuel & Electricity Increase
Other Purchased Services	\$4,391,906	\$4,492,051	\$100,145	Copier Maintenance, Unbudgeted for FY24
Property & Liability Insurance	\$1,000,159	\$1,305,616	\$305,457	Increase to property & liability insurance Gas/Oil for KVL, Paper Dist Wide, Safety
Supplies, Materials & Media	\$1,415,185	\$1,479,821	\$64,636	Training
Tuition	\$20,000	\$20,000	\$0	
Dues & Fees	\$133,494	\$134,719	\$1,225	Multiple School accounts - association dues
Inventoried Equipment	\$25,000	\$25,000	\$0	
Indirect Cost Recovery	(\$315,000)	(\$315,000)	\$0	
SUBTOTAL: Non-Personnel	\$24,668,643	\$26,074,189	\$1,405,546	
TOTAL EXPENSES	\$63,531,405	\$63,307,834	(\$223,571)	
TRANSFERS OUT				
Food Service Fund	\$0	\$0	\$0	
ATC	\$0	\$1,150,000	\$1,150,000	Estimated ATC transfer for FY24
Star of the Northwest - Magnet School	\$0	\$75,000	\$75,000	Estimated Star transfer for FY24
Teacher Housing Fund	\$450,000	\$450,000	\$0	Estimated Housing transfer for FY24
Special Revenue Fund	\$150,000	\$150,000	\$0	Estimated Student Transportation for FY24
TOTAL TRANSFERS OUT	\$600,000	\$1,825,000	\$1,225,000	

INCREASE (DECREASE)-UNRESERVED FB	(\$4,038,119)	(\$3,605,179)
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FY23 Fund Balance	\$9,915,223	\$9,915,223	From FY23 Audit - Page 125
Budgeted (Increase) Decrease above	\$4,038,119	\$3,605,179	
Estimated Prepaid & Inventory for FY24	\$2,800,000	\$2,800,000	Fuel Inventory & Property & Liability Insurance
Projected FY24 Fund Balance	\$3,077,104	\$3,510,044	5.54%

Board Budget Summary

Board Stipends

FY24

	Stipend	Members	# of times	# of Days	TOTAL
Regular In Person Meetings	\$ 250.00	11	5	2	\$ 27,500.00
Regular Teams Meetings	\$ 250.00	11	3	2	\$ 16,500.00
Kivalina open house/ regular meeting	\$ 250.00	11	1	1	\$ 2,750.00
Board Retreat combined with October meeting	\$ 250.00	10	1	3	\$ 7,500.00
AASB Annual Conference November 4-7	\$ 250.00	7	1	4	\$ 7,000.00
Policy committee all day meeting	\$ 250.00	5	1	1	\$ 1,250.00
4 special meetings (Incl other board misc trng)	\$ 250.00	11	4	1	\$ 11,000.00
Lobby at DC and Juneau	\$ 250.00	5	1	6	\$ 7,500.00
AASB 2 member regular mtgs	\$ 250.00	2	4	1	\$ 2,000.00
President-NWALT, CWT, ATC Qtrly	\$ 250.00	3	4	1	\$ 3,000.00
NWALT Summit	\$ 250.00	3	1	1	\$ 750.00
Lobbying w NWALT Juneau and DC	\$ 250.00	1	2	2	\$ 1,000.00
TOTAL					\$ 87,750.00

Benefits

Health Insurance	\$ 27,000.00	10			\$ 270,000.00
Other Benefits	\$ 87,750.00	13%			\$ 10,995.08
TOTAL					\$ 280,995.08

Professional & Technical Services

Misc. Serv and training, AASB Inservice					\$ 25,000.00
Lobbyists					\$ 80,000.00
Strategic Planning					\$ -
AASB Registration	\$ 450.00	7	1	4	\$ 3,150.00
TOTAL					\$ 108,150.00

Travel & Perdiem

Regular meeting Airfare - 5 members	\$ 2,475.00	6	5	1	\$ 12,375.00
Regular meeting Hotel - \$239.00 a night	\$ 1,434.00	6	5	3	\$ 21,510.00
Regular meeting Perdiem-\$60.00	\$ 360.00	6	5	3	\$ 5,400.00
					\$ 39,285.00

Annual AASB Airfare \$300.00	\$ 305.00	7	1	1	\$ 2,135.00
Annual AASB Village to OTZ	\$ 744.00	3	1	1	\$ 2,232.00
Annual AASB Hotel \$225.00	\$ 225.00	7	1	4	\$ 6,300.00
Annual AASB Car-actual costs	\$ 650.00				\$ 650.00
AASB Perdiem	\$ 80.00	7	1	4	\$ 2,240.00
					\$ 13,557.00

AASB Quarterly Trainings

AASB travel - Anchorage	\$ 330.00	11	2	1	\$ 7,260.00
Village to OTZ	\$ 2,740.00	5	2	1	\$ 5,480.00
AASB hotel @250.00	\$ 250.00	11	2	3	\$ 16,500.00
AASB Perdiem	\$ 80.00	11	2	3	\$ 5,280.00
AASB Car rental	\$ 337.00			4	\$ 1,348.00
					\$ 35,868.00

1 National Conference-Travel	\$ 750.00	9			\$ 6,750.00
Village to OTZ	\$ 378.00	4			\$ 1,512.00
Hotel @250.00	\$ 250.00	9	1	4	\$ 9,000.00
Perdiem	\$ 80.00	9	1	4	\$ 2,880.00
					\$ 20,142.00

Miscellaneous Exp

Supplies, media and freight for Board & Board meetings	\$ 5,000.00				\$ 5,000.00
CEACC membership and AASB fees	\$ 39,680.00				\$ 39,680.00
Joint ASC meeting supplies (Teams meeting)	\$ -				\$ -
					\$ 44,680.00

Grand Total \$ 630,427.08

\$48,562.07 of this Board budget increase is due to an error in budgeted benefits. The remaining increase is for stipends, travel, and other expenses (dues & fees). Decreases were made to the accounts for supplies, and professional & technical services for lobbyists and strategic planning.

Initial Budget \$ 577,041.31

Increase \$ 53,385.76

MEMORANDUM

TO: NWABSD Board of Education
Members

DATE: December 5, 2023

NUMBER: 24-059

FR: Office of the Superintendent

SUBJECT: Approval of Contracted
Business Services –
Food Service

ABSTRACT:

Board approval is required for all contracts and agreements of \$ 50,000 or more.

ISSUE:

At issue is the approval of a Memorandum of Agreement (MOA) between NWABSD and Amber Colvin, DBA: Savory Solutions for Fiscal Year 2023-2024, not to exceed \$110,000 for contracted business services – food service.

BACKGROUND AND/OR PERTINENT INFORMATION:

The District is in need of contracted business services for food service management. A permanent position has been posted since May of 2022, and previously contracted with a person in New York for under \$50k a year, and this contract worked while virtual reviews were approved, however, our District needs someone closer to the region to do in person site reviews and that is on the same daily schedule as our staff to respond to their needs timely.

Savory Solutions offers contracted business services for food service management at a reasonable daily rate and is located in Nome, AK, a short flight from our region. The District must employ or contract a Food Service Manager to comply with all of the requirements that the District's Food Service program brings (see attached list of duties).

Contracted Business Services for Food Service costs include payment at a daily rate of \$475 and reimbursement for out-of pocket travel expenses, for the work associated with managing the District's Food Service program. The MOA, which includes costs for travel, is not to exceed \$110,000.

Funding Source: District Food Service Fund, supplemented by federal, grant, and general funds

ALTERNATIVES:

1. Approve the MOA for Contracted Business Services – Food Service with Savory Solutions not to exceed \$110,000;
2. Disapprove the MOA for Contracted Business Services – Food Service with Savory Solutions;
3. Take no final action.

ADMINISTRATION'S RECOMMENDATIONS:

The Administration recommends that the Board approve the MOA for Contracted Business Services – Food Service with Savory Solutions not to exceed \$110,000.

Food Service Department Duties

DAILY

Review and respond to all department emails and phone calls within 48 hrs.
Manage the Revtrak system

- Accept credit/debit payments
- Notify payee and Accounting Department of payments
- Document Food Service payments in the Power Lunch System

WEEKLY

Review weekly meal counts

- Save weekly meal counts out of Power Lunch System or sent by sites
- Notify sites of any missing counts
- Send counts to NMS General Manager for billing cycle
- Attend all weekly state round table meetings and/or any mandatory trainings
- Update the Director of Administrative Services any new information that may be beneficial to the team

BI-WEEKLY

- Place FFVP Orders with Alaska Commercial Co.
- Notify sites of FFVP delivery (weekly/biweekly)
- Send monthly newsletters to teachers and students (weekly/biweekly)

MONTHLY

- Process NSLP Claims for all sites by CNP deadline
- Check Primero Edge program for student matches and updates and update daily as needed
- Save all State program bulletins, announcements, claims, and billings to share drive
- Send out staff meal account billings with transaction reports
- Request deposits
- Match meals and check that payments were added to Power Lunch System
- Notify staff of any changes to individual accounts

ANNUALLY

- Provide Inservice Training for all district staff with food service involvement
- Perform annual reviews for NSLP/SBP for all district schools
- Complete Site Review Summary Report for NSLP/SBP
- Complete the annual DEC site inspection food safety report
- Document Professional Standards Training for audit purposes
- Complete program renewal forms
- Evaluate departments for needed equipment
- Request site evaluations and inventory from NMS at year end

STATE AUDIT PREPARATION AND RESPONSE AS NEEDED IN FY24